

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE  
SHELL EGG ADVISORY COMMITTEE  
Sacramento, CA  
June 19, 2008**

**MINUTES**

**MEMBERS**

Michael Sencer, Chairman  
Wayne Winslow  
Steve Mahrt  
Gary Foster  
David Will  
Kelly Luth  
Nancy Sullivan  
Richard Jenkins

**CDFA**

Asif Maan  
Nate Dechoretz  
Anthony Herrera  
Lisa Gonzales  
Stacey Hughes  
Irene Vera  
Joanna Danquah  
John Krivacic

**INTERESTED PARTIES**

John Gardner- San Bernardino Co  
Nick Matteis- Pacific Egg &  
Poultry Association

**CALL TO ORDER**

Chairman Michael Sencer called the Shell Egg Advisory Committee (SEAC) meeting to order and a quorum was established at 11:01 a.m. Mr. Allen Armstrong and Mr. Dave Robinson were not present at the meeting.

**APPROVAL OF MINUTES**

Mr. Sencer asked the Committee to review the minutes of the August 29, 2007 meeting. Mr. David Will noted the last paragraph on the second page reads, "Annual Registration Free", but it should state "Annual Registration Fee".

**MOTION:** A motion was made by Mr. Gary Foster to accept the minutes as corrected. Mr. Kelly Luth seconded the motion. Motion passed unanimously.

**DEPARTMENT, DIVISION, AND BRANCH ANNOUNCEMENTS**

Dr. Asif Maan gave an update on the Department's initiative "The California Agricultural Vision." A schedule of the listening sessions was included in the handout. Dr. Maan also announced Undersecretary George Gomes will be retiring from the Department at the end of June and a replacement has not been announced yet.

Dr. Maan also stated there currently is a state budget deficit reaching 15 billion dollars. The budget deficit has an impact on all the programs funded through general funds. There is no direct impact to industry funded programs, however there have been some restrictions on purchasing and traveling.

Dr. Maan gave a Division update announcing Ms. Melissa Eidson as the new Special Assistant to the Director of Inspection Services. Dr. Maan also announced the Division will be repaying the Egg Quality Control Program (EQCP) \$45,000 that was diverted to Division for database development a couple of years ago.

Dr. Maan gave a Branch update and announced the Branch has finished the strategic planning process with the Feed and Fertilizer Programs. The programs have made their recommendation to change the programs focus, reorganize, and split the Fertilizer and Feed Programs. The next step includes strategic planning with the Egg Quality Control group to determine whether the EQCP is situated to address industry needs. Dr. Maan also mentioned there is currently a major initiative at the Division level to replace databases that are not functioning at the level needed to address the industry and Department's business needs.

### **EQCP DATABASE UPDATE**

Mr. John Krivacic gave an update on the Egg Quality Control Program's Database Analysis. Mr. Krivacic presented the EQCP System Development Life Cycle, status (accomplishments), next tasks, and project issues.

Mr. Krivacic stated he has started the "As Is" analysis report and has documented the existing business processes and workflows, which are currently being reviewed by the EQCP staff. The completed Analysis Report will document the strengths and weaknesses of the existing database. The completed "As Is" Analysis Report should be completed by the end of June. Mr. Krivacic stated the "To Be" Analysis Report, which will document desired processes both in visual and text model form should be completed by the end of July. The model forms will incorporate strengths and weaknesses of the existing database system.

Mr. Krivacic stated the "Complete II Project Concept Paper" for EQCP Database Replacement should be designated as a project by mid-August. The internal Feasibility Study Report should be completed by October. The Committee stated the Feasibility Report is a good idea and would like to move forward with the report. However, any other expenses and decisions regarding the database should be brought to the Committee's attention for input on funding.

Mr. Krivacic stated the solicitation effort can begin as early as late October, and the development of the database can begin as soon as December 2008.

The Committee would like to hold a meeting in November to vote on the Feasibility Report, prior to taking the next step.

### **EQCP 08/09 BUDGET**

Mr. Anthony Herrera presented the proposed EQCP Budget for Fiscal Year (FY) 2008/2009, and directed the Committee's attention to the following: Fund Condition Report; Egg Quality Control Source Funding FY 08/09; Cases Reported Comparison, County Contract Fiscal Display, EQCP Budget FY 2008-09.

**MOTION:** A motion was made by Mr. Gary Foster to accept the FY 2008/2009 Proposed Budget of \$ 1,048,566.00 for the Egg Quality Control Program. Mr. Wayne Winslow seconded the motion. Motion passed unanimously.

### **MEMORANDUM OF UNDERSTANDING (MOU) RECOMMENDATIONS FROM THE CALIFORNIA AGRICULTURAL COMMISSIONERS AND SEALERS ASSOCIATION**

Mr. John Gardner, San Bernardino County Agricultural Commissioner explained the background of the MOU. Mr. Gardner stated that in 1982 the purpose of assessments were to fund a uniform inspection program to ensure eggs sold or packed in California met specified quality, handling, and marking requirements. In 1982 a subcommittee of the California Agricultural Commissioners and Sealers Association (CACASA), SEAC, and CDFA recommended that shell egg assessments should be distributed with 52% going to CDFA, and 48% allotted to the county agricultural commissioners. Dr. Maan added that the MOU was never signed by either party.

Mr. Gardner stated in order to achieve the equitable distribution of shell egg assessments to CDFA and the county agricultural commissioners, there should be an agreement to fully utilize the available funding for an effective state-wide program. To achieve this, the program should have inspections performed at the earliest point of their distribution, and 48% of the total shell egg assessments should be distributed to county agricultural commissioners for the purpose of subventing the costs of performing shell egg inspections. Mr. Gardner stated in order to assure equitable distribution of the fund, a discussion should take place prior to preparing the FY 09/10 budget.

The Committee decided to address this issue during next year's budget review.

### **SEAC VACANCIES**

Mr. Sencer stated that there are currently six members whose terms will be expiring on the Shell Egg Advisory Committee. Pacific Egg and Poultry Association (PEPA) has recommended the following candidates for re-appointment to the committee: Mr. Wayne Winslow, Mr. Kelly Luth, Mr. Michael Sencer, Mr. Steve Mahrt, Mr. Gary Foster, and

Mr. Allen Armstrong. Three separate motions were made to recommend to the Secretary.

**MOTION:** A motion was made by Mr. Gary Foster to recommend Mr. Wayne Winslow and Mr. Kelly Luth to the Secretary for re-appointment to SEAC. Mr. Steve Mahrt seconded the motion. Motion passed unanimously.

**MOTION:** A motion was made by Mr. Gary Foster to recommend Mr. Michael Sencer and Mr. Steve Mahrt to the Secretary for re-appointment to SEAC. Mr. David Will seconded the motion. Motion passed unanimously.

**MOTION:** A motion was made by Mr. Wayne Winslow to recommend Mr. Gary Foster and Mr. Allen Armstrong to the Secretary for re-appointment to SEAC. Mr. Kelly Luth seconded the motion. Motion passed unanimously.

#### **ADDITIONAL ITEMS**

Mr. Winslow presented an issue regarding Country of Origin Labeling on eggs. He would like the Committee to consider Country of Origin labeling on each individual egg. PEPA will look into this recommendation to see what is needed for implementation.

**MOTION:** A motion was made by Mr. Wayne Winslow for PEPA to pursue the recommendation. Mr. Kelly Luth seconded the motion. Motion passed unanimously.

#### **NEXT MEETING**

The next Budget Sub-Committee Meeting will be in late August at the United Egg Producers Meeting in Ontario, CA for preparing the budget for FY 2009/2010.

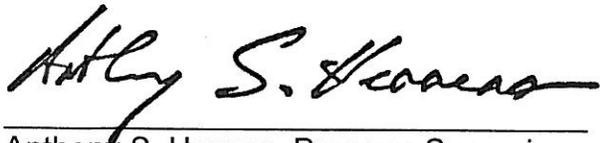
Mr. Herrera stated the next National Egg Regulatory Official Conference will be hosted in Monterey, California in 2009. The conference will run February 28, 2009 through March 4, 2009. All industry members are encouraged to attend.

The next SEAC Meeting will be held the second week of November. A date and location will be decided at a later time.

#### **ADJOURN**

Meeting adjourned at 1:10 p.m.

Respectfully submitted by:



Anthony S. Herrera, Program Supervisor  
Egg Quality Control Program  
Feed, Fertilizer, Livestock Drugs and Egg Regulatory Services  
Inspection Services

2/17/10

Date

AH/iv